

DRAFT



CITY OF SCOTTSDALE HOUSING BOARD
One Civic Center, 3rd Floor Conference Room
7447 E. Indian School Road, Scottsdale, AZ 85251
June 14, 2005
Meeting Minutes

PRESENT: Del Monte Edwards, Chairman
Gary Morgan
Robert Southworth
Barbara Williams

ABSENT: George Leonard
Joseph Priniski, Vice Chairman
George Sutherland

STAFF: Molly Edwards, Housing Resources Manager/Staff Liaison
Mark Bethel
Pete Deeley

CALL TO ORDER

Chairman Edwards called the regular meeting of the Scottsdale Housing Board to order at approximately 5:15 p.m.

1. ROLL CALL

A formal roll call confirmed members present as stated above.

2. APPROVAL OF MINUTES

May 10, 2005, Housing Board.

BOARD MEMBER SOUTHWORTH MOVED TO APPROVE THE MINUTES OF THE MAY 10, 2005 MEETING. SECONDED BY BOARD MEMBER MORGAN. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF FOUR (4) TO ZERO (0).

3. OUTGOING MEMBERS

Chairman Edwards thanked Board Members Barbara Williams and Robert Southworth for the work, leadership and guidance extended to the City of Scottsdale through their service on the Housing Board.

Board Member Williams expressed feeling honored and privileged to have served on the Board. She thanked all members for their help and support.

4. ELECTION OF HOUSING BOARD OFFICERS

Board Member Williams nominated Chairman Edwards; seconded by Robert Southworth. Board Member Williams nominated Vice-Chairman Priniski to continue as Vice Chairman; seconded by Robert Southworth.

BOARD MEMBER WILLIAMS MOVED TO CLOSE NOMINATIONS AND MOVE BY AFFIRMATION ON THE VOTE. SECONDED BY BOARD MEMBER MORGAN. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF FOUR (4) TO ZERO (0).

5. CONDO CONVERSION DISCUSSION

Chairman Edwards noted the absence of Board Member Leonard and indicated that this item would be moved for discussion at a subsequent meeting.

Ms. Edwards noted that Pete's presentation is to discuss the process regarding condo conversions.

Pete Deeley addressed the Board providing a brief background of his tenure with the City and his involvement with the mapping and review process. His presentation included discussion of the application and review process, as well as the final plan process. He shared specific details of the Arcadia Commons case, which is presently in the process of converting apartments to condominiums.

Mr. Deeley reported that approximately six apartment projects have converted to condominiums in the City of Scottsdale over the past two years. General interest in this process has increased. Mr. Deeley reported that he believes this is a phase that will continue to be seen.

A brief discussion ensued regarding the legal conveyance of title, followed by a lengthy discussion pertaining to condo conversion as it relates to commercial properties, co-op's, and low income housing. A brief discussion pertaining to zoning issues and the approval process addressed various questions by Board Member Morgan.

6. REVIEW OF HOUSING BOARD BY-LAWS

Chairman Edwards reported that the City Code change was approved by City Council on June 7. Copies of the updated By-laws of the Scottsdale Housing Board have been distributed to Board Members.

Board Member Morgan noted receiving and reviewing By-laws with a footnote date of 11/10/04. Ms. Edwards indicated that the date would be changed upon approval of the revisions.

Board Member Morgan noted his first comment: under the Purpose section, 1A, the italicized roman numerals are the old rules and code. It should be updated to include the new rules, regulations, codes that were just approved. Ms. Edwards indicated that those specific changes had not been made due to the fact that Ordinance 3614 had not been approved by City Council prior to the last Board meeting. She reported that the Board revised the By-laws at the previous meeting and requested that the Board focus on those items to ensure that they correctly reflect the Board's discussions. Upon a vote this evening, the approved City Code will be inserted into the By-laws.

Board Member Morgan requested additional corrections:

Page 2, under "Organization", change Chairman to Chairperson.

Board Member Morgan requested discussion regarding "protracted discussion of the Chairperson." Board Member Morgan expressed that a chairperson should be allowed to engage in discussion of issues. Board Member Williams responded that a chairperson is to navigate and to be leadership, therefore, protracted discussion of the chairperson is required in order to follow Robert's Rules of Orders. The purpose of the rule is to ensure that a Chairperson does not monopolize discussions. Board Member Morgan expressed opposition to the rule, noting that the Board consists of only seven members and the chairperson has as much to say that is pertinent to any issue as any board member does. He opined that it is inappropriate to have the language in the By-law. A discussion ensued regarding the definition of "protracted discussion" along with suggestions for revising or eliminating the language from the By-laws.

BOARD MEMBER WILLIAMS MOVED TO LEAVE THE WORDING AS STATED IN THE LAST SENTENCE OF BY-LAW 2A. SECONDED BY ROBERT SOUTHWORTH. THE MOTION CARRIED BY A VOTE OF THREE (3) TO ONE (1) WITH BOARD MEMBER MORGAN DISSENTING.

Upon inquiry by Board Member Williams, Ms. Edwards indicated that a quorum was needed in order to approve the proposed changes to the By-laws. Chairman Edwards suggested postponing a vote on the amended By-laws until additional Board Members are present. He noted that the Board could operate under the

City Code changes for the remainder of the summer and make the adjustments at the September meeting, which would be the first meeting of the new Board Members. Board Members Morgan and Williams shared comments and discussion continued to clarify the issues.

Ms. Edwards noted that Ms. Bronski was not available to answer the legal questions raised by members of the Board and had not completed a response to the questions submitted to her by Ms. Edwards.

Upon inquiry by Ms. Edwards regarding the extent of Board Member Morgan's comments, Chairman Edwards requested that Board Member Morgan provide his questions to Chairman Edwards as soon as possible. Ms. Edwards agreed to provide a copy of the previous minutes to Ms. Bronski for her review.

7. REVIEW OF CALENDAR AND STRATEGY FOR UPCOMING YEAR

The Board was presented copies of the previous year's calendar. Ms. Edwards noted discussion items at the previous meeting as well as the joint Human Services and Housing Board meeting of May 26th, wherein the Board agreed to reconvene at this meeting to discuss the Board's level of involvement in the funding process for the upcoming year. Ms. Edwards stressed that it is an extremely crucial component to the calendar due to the fact that a significant amount of time would be devoted to funding issues. Ms. Edwards thanked Board Members Morgan and Priniski for providing suggestions and ideas for next year's agenda. A copy of the suggestions were presented to the Board.

A discussion followed regarding the proposed idea of having two members from the Housing Board in attendance at all future Human Services meetings. Mark Bethel explained that Housing Board members would attend those meetings in order to provide Housing Board guidance and expertise relative to the applications. While it is not necessary to have all seven members present at the meetings, if the consensus of the Board is that the Housing Board in mass, as one body, will be hearing the presentations, reviewing all applications and making recommendations, then it is the obligation of the Housing Board to have a quorum at every single public meeting throughout the funding process.

A lengthy discussion addressed the pros, cons and conflicts relative to the Board's involvement in the funding process in conjunction with a discussion to determine the level of the Board's involvement in that process in the future. Chairman Edwards specifically recalled that the Board had discussed this issue in the past and believes that the consensus of the Board was to move away from being involved directly in the funding side, shifting the greater focus to policy. Mr. Bethel reported that Human Services felt the funding process was a positive experience last year. They would welcome the Housing Board back in whatever configuration the Housing Board agreed to, but with the understanding that if they

come as a body they have to have the commitment from each Board Member that if a member attends one meeting they must attend all of the meetings.

Discussions regarding the Board's options ensued. Board Member Williams inquired as to the possibility of the Board going in as advisory. She explained that the Board could review the applications, dissect the applications with the Board's expertise and submit a white paper, but refrain from voting on the applications.

Mr. Bethel suggested the option of the Housing Board drafting a letter to be included in each application package, outlining discussions with Human Services as well as priorities for the coming year. He suggested that such a letter would reiterate support to the Housing Board by the Human Services Commission. Mr. Bethel also suggested that the Board should refrain from inserting allocations or percentages because it would remove the competitiveness of the process.

Ms. Edwards defined the options identified by the Board: Not be involved at all; have one person as a representative at the table; have all members represented at the table, as was done during the past year; or have the Board craft a letter that would be included at the beginning of the process that informs the Applicants of the Housing Boards desires.

Upon inquiry by Board Member Morgan regarding the past experience of having one member sit with Human Services, Mr. Bethel reported that it was a very successful experience. The person did not vote but their opinions were taken very seriously and Human Services deferred to the Housing Board member on the housing related applications. The Housing Board member appointed to serve was empowered to speak on behalf of the whole Board.

Further discussion of this option continued. Board Member Williams expressed favor for this option; however, believes the appointee would offer expertise but not represent the Housing Board as a whole. Board Member Morgan expressed strong opposition to this option.

Chairman Edwards identified that the problem is the Boards' confusion over which direction to select, noting that discussions four months ago were to be removed from the funding process. He suggested that the Board shift the discussion focus to the calendar for next year to assist in clarifying the Board's priorities. Ms. Edwards reiterated the importance of the Board prioritizing the projects to consider and requested that the Board deliberate on those before further discussions relating to funding.

Chairman Edwards identified that a discussion regarding condo conversion policy should be on the agenda for the upcoming year. Ms. Edwards suggested placing this item on two separate meeting agendas. Board Member Williams suggested

that over the summer break staff gather policy issues outlining how other communities are handling the issue.

Board Member Morgan suggested that the Signature Project should be item number 2. Upon request by Ms. Edwards, Board Member Williams reported that, approximately three years ago, the Board discussed what they would like to see done and they felt that a project should be created. The Board was going to determine what was needed and be creative in getting it accomplished. She further noted that many changes had occurred since that time and what was originally conceived as a signature project might not be exactly the same at this point.

Ms. Edwards reminded the Board that they are looking at policy related items. General discussion of a signature project continued. Mr. Bethel suggested inviting Tom Ryan to share his thoughts at a meeting.

Priority number two is identified as the signature project. Two suggestions for signature projects included mixed use as it relates to the ASU-Scottsdale Research Center or tackling the barriers to developers regarding construction in Scottsdale. Ms. Edwards estimated that two meetings would be needed to address this agenda item.

Ms. Edwards stressed to the Board the importance of making the calendar very flexible in order to accommodate issues that may arise out of order or require more time than allotted. She noted the potential of having Dave Roderique speak at the ASU meeting. Board Member Williams suggested that Michael Pytuk could have a big impact on housing.

A discussion followed Chairman Edward's statement that affordable housing is a thread that the Board must keep their eye on as projects are considered. Ms. Edwards suggested that discussion could focus on the loss of affordable units to conversions to investors from California and other states purchasing properties, demolishing them and building new higher end. Ms. Edwards strongly encouraged the Board to focus on the loss of affordable units because the issue is going to be on the Council's radar very quickly. A discussion ensued regarding the need to discuss the framework for creating a general policy addressing affordability of housing in Scottsdale.

Board Member Morgan opined that the Board should have a list of projects to consider over the summer recess. He also opined that due to the summer break the Board would not have presentations to offer Council in October. Chairman Edwards disagreed, stating that one or two Ad-Hoc committee's would be established to work and do research over the summer and report to the Board at the September meeting.

Chairman Edwards stated that the Board has identified topics that they would like to address at four of the meetings and suggested that these topics be the focus of the first four meetings for the coming year. In the event that the condo conversion or loss of affordability become hot topics of Council, the Board will then be prepared to make recommendations. The Board further deliberated the specific topics for future discussion as well as the time to be devoted to the topics.

Upon a brief discussion of Item 8, Board Member Williams moved to remove it from the list, noting that it can be addressed as it surfaces in other issues. Board Member Morgan concurred.

Board Member Williams questioned item number 10: Rules on rental property being evaluated by City Council. Further discussion identified that the issue relates to occupancy standards. Ms. Edwards reiterated that City Council has requested that staff create a white paper to evaluate the issue. The Board discussed applicability of this issue and its impacts within the City of Scottsdale. Board Member Williams recommended that staff keep the Board updated in the event this issue was to become a priority.

Board Member Morgan identified item number 4: Evaluation of the status of events in Steve Capobres' development district. Board Member Williams shared details regarding the current status of events, noting that many changes had occurred resulting in a major change in plans. Highlights of her report included the contributions in hand and pledges for major contributions to help needy families with rehab. CSA plans to assist in sponsoring them, but has elected not to turn over any of their properties and will not be assisting in any other fashion. Chairman Edwards suggested that this topic be left as a flexible Board topic and revisited at the October retreat.

Board Member Morgan suggested that an additional topic for discussion by the Board could be expenditure of efforts to fully utilize the funds available for the Scottsdale CDBG/Housing and Rehabilitation program. Board Member Williams noted that there has been some discussion regarding what is effective and what is not effective. She suggested that the Housing Board evaluate their expectations of the program and give consideration to alternative methods. She expressed that there is an opportunity there and staff is open to receiving all of the help they can get.

Upon further discussion, Ms. Edwards identified that the Board would want to make policy recommendations on how CDBG funding should be allocated, which goes back to the funding process. Chairman Edwards stated that due to time constraints, this item would not be a specific topic of discussion.

Item 7 on the list will be folded into priority number 2, the signature project. Mr. Bethel addressed the Board regarding item number 6. He reported that HUD is actively pursuing non-profit agencies, whereupon discussion ensued.

Board Member Morgan addressed item number 9 on the list. He noted that this item is on the back burner but feels that it is worthy of discussion. Board Member Williams cautioned that policy changes would most likely affect all mobile home properties. Discussion identified that there are three mobile home parks in the City of Scottsdale. Chairman Edwards suggested that this issue be tracked through the zoning applications and addressed when it begins resurfacing. Discussion identified the current status of the issues.

Chairman Edwards noted that item 9: Affordable housing as an element in zoning cases, would be split into two items as it is unknown whether City Council would make a requirement in a zoning code to make affordable housing an issue.

Board Member Williams reported that in the recently adopted Growing Smarter legislation there is an element that specifically states that every general plan should include an affordable housing element. She recalled that the numbers involved in this process were not well tracked in the past and suggested that there is some room for the Housing Board to address that element of the general plan. She further suggested that the Housing Board devise a policy that would address the concept that units would have to be replaced if they were going to be demolished. Ms. Edwards clarified that the general plan is an adopted plan; it is not an ordinance that is a requirement; it is a guiding document. Board Member Williams reiterated that the door has been opened and encouraged the Board to continue pushing on the door.

Chairman Edwards summarized that four meetings have been planned for next year's calendar and re-addressed the Human Services debate. Board Member Williams suggested that the Board determine a way to be involved with Human Services without the requirement that all board members attend every meeting.

Chairman Edwards stated that he would review meeting minutes over the past six months regarding the Board's discussions and votes relating to its involvement with Human Services funding issues. He noted that the question is: Did the Board make City Code changes to go in a different direction? A discussion ensued regarding decisions previously made by the Board, followed by a discussion regarding the Board's past experience with Human Services.

8. CHAIRPERSON'S REPORT

Chairman Edwards reported consideration of setting up Ad-Hoc committees to do research over the summer in an effort to keep things moving. Chairman Edwards will speak to each Board Member to determine where they want to sit.

The groups will contain three members each to ensure that there is not a quorum. Chairman Edwards will attend both meetings.

9. STAFF REPORT

Design Day update, previously addressed.

10. OPEN CALL TO THE PUBLIC

None.

11. ADJOURNMENT

With no further business to discuss, the regular meeting of the Scottsdale Housing Board was adjourned at approximately 7:51 p.m.

Respectfully Submitted,
A-V Tronics, Inc.